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Globalization and Health – A Conceptual Framework

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Abstract

Globalization is the key trial for public health care and fundamental health protection, given the links between globalization and health care, which are very complicated today, the stress frequently being on developing countries, in which group is also Croatia. Although there are various papers available on this subject, it is necessary to provide an institutional structure for the assessment of direct and indirect health impacts of several appearances of globalization. Therefore, this paper presents a conceptual frame between health care and globalization based on the movements of David Woodward and Nick Drager, including the mission to serve as a guideline for the construction of existing papers in this field, as well as the search for new cognitions, which can ultimately bio the growth of national policies on health.

When we talk about the conceptual structure, then, by all means, we need to pay consideration to the secondary effects on health, as well as the direct impact on the population on the level of particular risk factors on health and the wellness care system as a whole. The paper will pay appropriate attention to the overall objectives of the activities to optimize the health effects of economic globalization.

Keywords: Globalization, public health, community health, health risk, economic development, developing countries, consumption, opportunities

Introduction

Globalization is one of the key difficulties facing health policymakers and public health practitioners (David Woodward, 2001). Globalization over the past two decades has changed a wide range of sectors, directly or indirectly. It has led to the emergence of new forms of business opportunities, processes, and organizations. The health sector is one such area that has been significantly affected by globalization despite its public good and noncommercial nature (Rupa Chanda, 2001).

The globalization of health services is indicated in the emergence of new kinds of health care organizations over the last decade and in the increased cross border delivery of health services through the movement of personnel and consumers and cross border electronic and other means.

What is Globalisation?

There are various definitions relating to globalization. According to some, globalization has increased the significance of integration of national economies in the global market through trade, investment, and financial impact. Banoob (2002) defines globalization as a free, comprehensive, and fast movement, exchange and transfer of information, knowledge, goods, and services, and people between national economies globally.

Since there is no agreement on a uniform definition of globalization, there is some agreement that globalization is a form of accelerated world economic activities that require a rapid change of information, capital, goods, and services.

In the summarised form we can say that the globalization is:

- Easier travel and communication
- Mixing of customs and cultures
- Integration of national economies (removal of barriers of international trade and finance) – liberalization or openness
- Means cannot view national health, attacks, and policies in isolation from:
 - Other countries
 - Other sectors (e.g., travel, finance)

Objectives

- To understand the meaning and characteristics of globalization.
- To find out the relationship between globalization and health.
- To find out the determinants of globalization that may affect health.
- To study the structure of GATS in health services.

Research Methodology

The data used in the study is small. The data is collected from various published reports, journals, and articles, etc.

Characteristics of Globalisation

To explain the conceptual framework of globalization, it is necessary to understand the features of globalization, which brings new opportunities as well as risks. The characteristics of globalization are as follows:

New Global Governance Structure

Globalization affects the serenity of national states as well as the interdependence among nations, which leads to the new global governance structure. Global health governance concerns the collective form of governance, from the sub-national to the global level, which addresses health issues with global dimensions. Good global health governance is necessary to deal with the health implications of globalization (Lee, K., and H. Goodman, 2002).

Global Markets

Globalization is characterized by the emergence

of new global markets and global trading systems, which has led to the changes in economic infrastructure at a global level. One of the main drivers of these changes is the emergence of capitalism, which is based on a free market; improvements in transport and communication have led to the infrastructure for the global trading system and institutionalism of trade liberalization (eg. WTO).

Global Communication and Information Dissemination

Globalization influences the sharing of information (e.g., Technical knowledge) and the exchange of ideas and experiences for all kinds of problems. The globalization process also facilitates the diffusion of medical technology (Scholte, J., 2000). Many minorities in the world do not have governments that are concerned with their health and well being. Due to the worldwide flow of information and ideas, their needs are drawn to the attention of the informational community, and actions to improve their situation often follow (Feacham, R., 2001).

Global Mobility

Global mobility is characterized by a major improvement in the extensity, intensity, and velocity of change and by a wide variety in types of mobility (Huynen, Martens, Hilderink, 2005). Improved infrastructure, institutions of transport, communication and regulation has resulted in the current unprecedented volume, speed, and reach of travel (Wilson, M., 1995)

Cross-Cultural Interaction

Globalization significantly affects the cross-cultural interactions at the global as well as at the local level also. It has promoted multiculturalism at the global and local levels. Many developments in the globalization process are causing worldwide changes in culture. Many western cultural elements are uncritically absorbed in non-western nations, and that cultural inflows are suppressing of existent local meanings and form (Schuerkens, U., 2003)

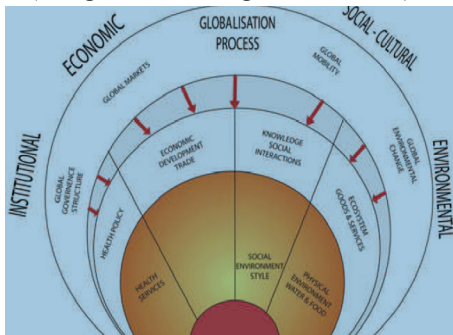
Global Environment Changes

Global environmental threats to the ecosystem include global climate change, loss of biodiversity,

global damage to the ozone layer, and a significant reduction in natural areas. The health of the people and that of the environment are intimately interlinked. Pollution affects health at a more proximate level, although the spread of pollution or its sources could have a more global character.

Conceptual Model of Globalization and Health Care

Previously we resolved that the changes are necessary that are occurring through the process of globalization of the new management structure on the global level, the new structure of the world market, cultural diversity, global movement, as well as changes in the background as a very prominent feature of globalization. Regarding this, we can assume that all of these features regularly work on the determinants in health care and affecting factors such as policies relating to health care, economic development, trade, social cooperation, knowledge, and the supply of the ecosystem with goods and services. Therefore, these factors affecting the changes have a significant impact on the development restrictions of healthcare, as well as the effects on health. (Dodgson, Lee, Drager, 2002, 5-27).



Globalization and Health Determinants

The above conceptual model of globalization and health care diagram shows that the processes of globalization can have an impact on all the identified determinants. Below the implications of the globalization processes for these determinants are discussed in detail.

Health-Related Policies

Global governance structures are obtaining more and more interest in the formulation of health-related policies, and many different actors are

participating in the field of global health governance. The most important organizations in global health governance are WHO and World Bank. The WHO is a United Nations specialized agency concentrating exclusively on health, whose main objectives include to act, direct and co-ordinate on international health work, to assist governments in increasing health approaches and to promote housing, sanitation, nutrition or working conditions and environmental hygiene (WHO Mission statement, 2002).

The World Bank is one of the biggest organizations of the united nations, and it provides loans and technical assistance to developing countries to reduce poverty and encourage sustainable economic growth. World Bank, with the help of the international monetary fund (IMF), plays an essential role in the field of global health governance through the Structural Adjustments Programme.

Also, the policies of WTO are increasingly influencing population health. The WTO contains a framework of trade agreements like GATT, TRIPS, GATS, etc. which have important implications for health and health-related policies.

Knowledge

Knowledge is becoming a more valuable asset whose influence increased due to the development of global communication and global mobility. The term “globalization of education” is considered as the need for education in every part of the world. Because of the convenience of new technologies, most colleges and universities in the world can collaborate with scientists from different countries; students are given the opportunities to study abroad, and the development of the virtual campus is taking place.

Also, it is necessary to note that television and computer graphics have significantly increased the visual dimensions of communication. (Nedejko Kovacic, 2005). Finally, the diffusion of new technologies has enabled researchers to gather data in no time all around the world (Scholte, J., 2000). Overall, it is supposed that the above – discussed developments will also improve health training and health education (Feacham, R., 2001).

Environment Change

Global environment changes can significantly affect the production of goods and services in the world. The discussions of governments on climate change found that the expected climate change may result in significant disruption of the ecosystem and threaten the development of natural resources (Nedeljko, Kovacic, 2005).

Also, several authors have addressed the link between biodiversity and ecosystem functioning (Chapin, 2000). Accordingly, we can assume that the ecosystem needs to have a function in satisfying the requirements of people for food, drink, clean air, clean water, and soil to prevent the spread of diseases among the population (Pimental, Harvey, 1995, 1117- 1123).

Health Services

Health services are increasingly influenced by globalization- induced changes in health care policy. Although the WHO aims to assist governments in strengthening health services, govt. Involvement in health care systems has been decreasing. Public services like health care are becoming increasingly under the control of the commercial sector due to privatization and reduction in government spending (Huyen, Martin, Hildrink, 2005). Health is more perceived as a private good, leaving the law of the market to decide whose health is profitable for investors and whose health is not (Hong, E., 2000). Also, some agree that the increasing pressures brought about by global competition have resulted in long term degradation of the health system in many countries, including the capacity to deal with infectious diseases (Lee, K.,1999) The increasing trade in health services can have profound implications for the provision of proper health care. But some developments may have long term dangers such as the movement of health experts from the public sector to the private sector, discriminatory access to health care, and the undermining of the national health system. (Hang, E., 2000). The illegal potential health risks. (Lee,k and J. Collin, 2001). However, due to increased knowledge and dissemination of information can improve the treatment and prevention of al kinds of illnesses and diseases.

Lifestyle

The changes in lifestyle at a global level due to globalization have also posed threats to healthcare. Due to the unrestricted flow of people, information, and ideas, lifestyles also spread throughout the world. It is widely believed that modern behavioral factors such as an unhealthy diet, physical inactivity, smoking, alcohol misuse, and the use of illegal drugs are hurting human health. (Huynen, Martens, Hilderink, 2005).

However, health training can play a role in promoting a healthy lifestyle by improving an individual's awareness about the health effects of different lifestyle options.

Marketing of Harmful Products & Unhealthy Behavior

Although the major chronic diseases are not transmittable via an infectious agent, the behaviors that predispose to these diseases can be communicated by advertising, product marketing, and social interactions (de Groot, R.S., 1999). Global trade and marketing developments drive have increased the trade of harmful products. One example is the worldwide tobacco consumption as transnational tobacco companies take advantage of the potential for growth in developing countries (Louria, D., 2000). Cigarette smuggling is also posing a global threat to the efforts to control tobacco consumption (Hoekstra, A.Y., Huynen, 2002). Illegal trade in illicit drugs poses similar obstacles. At the same time, the alcohol production is almost as globalized as the tobacco industry.

Cross Border Transmission of Disease

The spread of infectious disease is probably one of the most mentioned health effects of globalization. The recent outbreak of Severe Acute Respiratory Syndrome (SARS) demonstrates the potential of new infectious diseases to spread rapidly in today's world. The globalization of food production trade and consumption has been connected with the increased spread and transmission of food born diseases (de Groot, R.S.1992). Diseases like HIV/AIDS or hepatitis B can also spread by trade in infected biological products (Hoekstra, A.Y., Huynen, 2002). Enhanced knowledge and new technologies will

improve the surveillance of infectious diseases and the monitoring of antibiotic resistance (Feachem, 2001). The policies and actions undertaken by WHO are becoming increasingly important in controlling infectious diseases at a global level. For example, the WHO played a critical role in controlling SARS using global alerts, geographically specific travel advisories, and monitoring.

Structure of Gats in Health Services

Health services can be purchased in various ways. Borrowing from the characterization of various modes of supply under the GATS framework, trade in health services occur via four methods of supply

Four Modes of Supply

- Cross border delivery (e-health)
- Consumption abroad (movement of patients)
- Commercial presence (FDI Hospitals)
- Movement of personnel (doctors abroad)

Mode 1: Cross Border Delivery of Services

The first mode is the cross border delivery of health services. This includes shipment of laboratory samples, diagnosis, and clinical consultations by mail. It also includes electronic delivery of health services such as teleradiology, telesurveillance, teleconsultation, tele treatment, and tele products, especially pharmaceuticals.

In cross-border supply (telemedicine), skilled health professionals in developing countries have the potential to provide consultation from a distance. Now medical images, X-Rays, MRIs, and other techniques can be digitized and transmitted via computer. (Diaz Benavides, 2005)

Implications

It is difficult to say whether trade in health services is good or bad since there are many competing considerations. The net impact depends on the specifics of the country, and its national health care system, the administrative environment, the strategies adopted to facilitate or constrain trade. Each mode has its benefits and adverse consequences that need to be assessed in turn. (Rupa Chanda, 2001).

Mode 1 Opportunities

- Enable health care delivery to remote and underserved areas- promoting equity. Cross border delivery of health services through information and communication technologies has direct and indirect implications for health conditions in poor countries. Eg. Telemedicine can enable health care providers to cater to remote and undersecured areas and segments of the population, thus enabling greater access to health services.
- Alleviate some human resource constraints through telemedicine by enabling remote delivery of some health services.
- Enable more cost-effective disease surveillance; save on foreign exchange as there would be a reduced need for domestic patients to go overseas for treatment.
- Improve the quality of diagnosis and treatment by updating medical education in developing countries through teleconferencing and other interactive electronic means.
- Upgrade skills, disseminate knowledge through interactive electronic means, thus increasing the efficiency of the health care sector, and improve the availability and delivery of publicly provided health services.

Mode 1 Risks

- Relies on telecommunications and power sector infrastructure- since many developing countries lack the required telecommunications infrastructure, with telephone and electricity lines being nonexistent and unreliable in many parts of the country.
- Capital intensive, possible diversion of resources from basic preventive and curative services, if it is at the expense of public investments.
- Equity issue if it caters to a small portion of the population, i.e., urban affluent.

Mode 2: Consumption abroad

The second mode of health services trade is using abroad. This refers to the movement of patients from home countries to the country, providing the diagnosis/ treatment. Such trade is motivated by differences in cost, quality, and availability of

treatment across countries as well as factors such as physical endowments, the existence of alternatives machines, etc. Consumption abroad in health services includes the movement of health professionals and students from home to another country to obtain medical education and training.

Mode 2 Opportunities

For Exporting Countries

- It helps to generate foreign exchange earnings to increase earnings for health.
- It can also help in upgrading their health care infrastructure, medical knowledge and skills, technologies capacities, and health care standards in the country.

For Importing Countries

- It overcomes a shortage of physical and human resources in specialty areas.
- The availability of good state, affordable treatment at geographic proximity is often an important criterion in such cases.

Mode 2 Risks

- It may create a dual business structure or aggravate such tendencies within the health care system. It can result in the creation of a high quality, expensive segment catering to wealthy nationals and foreigners.
- Availability of services, including beds, doctors, and other trained employees, may rise in the high standard centers at the expense of the public sector.
- May crowd out local population unless these
- Services are made available to the local population.

Mode 3: Commercial Presence

The third mode of trade in health services is a commercial presence, which involves the establishment of hospitals, clinics, diagnostics, joint ventures/alliances. Countries have been increasingly open to foreign direct investment to upgrade and modernize their health care infrastructure and training facilities. Some countries are entering into contract-based management and administration of foreign-owned or joint venture hospitals. There are

also emerging opportunities for firms with experience in accreditation, legislation, and medical standards. Another emerging area for market presence is in medical and paramedical education with many well-known medical schools of international repute, establishing joint ventures with local medical schools.

Implications

Mode 3 Opportunities

- Generate additional resources for investments in and upgrading of health care infrastructure and upgrading of health care infrastructure and technologies.
- Create employment opportunities.
- Enable the provision of expensive and specialized medical services and increase aggressive capacity, quality, accessibility, and productivity of health care services.
- The availability of private capital could reduce the total burden of government resources and help reallocate government e, expenditure towards the public health care sector.
- Commercial presence can also make reasonable quality improvements through the introduction of superior management techniques and information systems.

Mode 3 Risks

- Large initial public investments to attract FDI
- If super-specialty corporate hospitals are installed using public funds and subsidies, then there would be a diversion of supplies from the public health system.
- This may result in a two-tier health care system consisting of a corporatized segment and a public sector segment.
- Internal brain drain from the public to the individual sector
- Crowding out of poorer patients and a cream-skimming phenomenon whereby those who need less but can pay more extra are followed at the expense of poor and more deserving.

Mode 4: Movement of Health Professionals

It includes doctors, nurses, paramedics, midwives, consultants, trainees, management

personnel. Factors driving cross border movements include wage differentials between countries, search for better working conditions /standards of living, search for greater exposure/ training/ qualifications, and demand-supply imbalances between countries. The approach towards mode 4 trade-in health services by exporting and receiving countries varies- some countries encourage outflow, others create impediments.

Implications

Mode 4 Opportunities

From Sending Countries

- Increased mobility of health care providers can help in promoting the exchange of clinical knowledge among professionals.
- Upgrade skills and raise the standard of health care in the home country, provided these services providers return to the home country.
- Gains from remittances and transfers.

From a host country

It provides an important means to meet a shortage of health care providers, improve access to health care services, improve the quality of such services, and contain cost pressures.

Mode 4 Risks

From Sending Countries

- The permanent outflow of skilled personnel –”brain drain.”
- Loss of human capital investment and public resources, especially when medical education and education are publically financed and subsidized.
- I am opposing effects on equity, availability, and quality of services.

Conclusion

This paper has presented a conceptual framework between health care and globalization. The process of globalization is causing a very big and complex change in the very nature of our society, according to new business opportunities, but at the same time, new risks. There is a significant relationship between globalization and health care determinants. The conceptual framework provides valuable insights on how to organize the complexity

involved in studying the health effects resulting from globalisation..Despite some empirical studies that show a significant correlation between the efforts of the globalization process and the impact on health, the existing weaknesses in the empirical evidence are more linked to the problem of globalization and health. Notice of the conceptual framework could make a major contribution to further empirical research that should serve as a well-structured model for further consideration. It shows the need for an interdisciplinary approach towards globalization and health, which will draw knowledge from relevant fields, such as medicine, epidemiology, sociology, political science, health, education, the science of ecology and economy.

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